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IN THE SUPREME COURT OF THE STATE OF IDAHO  
2006 Opinion No. 66

CANYON COUNTY BOARD OF	)	
EQUALIZATION and TWIN FALLS	)	
COUNTY BOARD OF EQUALIZATION,	)	
	)	
Petitioners-Respondents,	)	
	)	<b>Docket No. 31063</b>
v.	)	
	)	
THE AMALGAMATED SUGAR COMPANY,	)	
LLC,	)	
	)	
Respondent-Appellant.	)	

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Appeal from the District Court of the Third Judicial District of the State of Idaho, Canyon County. Hon. Renae J. Hoff, District Judge.

The district court decision reversing the Board of Tax Appeals is affirmed and remanded for further proceedings.

Moffatt, Thomas, Barrett, Rock & Fields, Chtd., Boise, for appellant. Robert B. Burns argued.

Cantrill, Skinner, Sullivan & King, L.L.P., Boise, for respondents. Robert D. Lewis argued.

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In a unanimous decision, the Idaho Supreme Court upheld the district court decision reversing the Board of Tax Appeals and remanded the matter for a determination of the amount of principal and/or interest owed TASCO due to its overpayment of certain property taxes.

Due to certain changes in the Counties' approach to valuing TASCO's property, the 2002 assessed valuation was triple the value assessed in 2001. At a hearing before the Board, the Counties presented evidence on one approach to value, while TASCO presented an appraisal employing three approaches to value. The Board adopted TASCO's significantly lower valuation amounts. The Counties appealed to the district court, which conducted a de novo trial and allowed the Counties to produce evidence on all three valuation approaches. The district court overturned the Board's decision and

adopted the Counties' assessed valuation of TASCOS property. Even so, the valuation of one of TASCOS sugar plants adopted by the district court was substantially less than the value originally presented to TASCOS and upon which TASCOS already paid taxes.

On appeal to the Idaho Supreme Court, TASCOS argued the district court erred in allowing the Counties to present evidence on three approaches to value when they had not done so before the Board. TASCOS reasoned each approach to value was an "issue," and the statute governing judicial review of Board decisions only allows the district court to conduct a de novo trial on issues that were presented to the Board. As the Counties did not present the issues of all three approaches to value to the Board, TASCOS argued, the Counties could not do so before the district court. The Supreme Court rejected that argument, concluding the actual issue before the Board was the market value of TASCOS property and that TASCOS was actually complaining of new evidence – not new issues – being presented to the district court. The Court determined there was no basis in the statute for striking or refusing to consider evidence on all three valuation approaches, especially because the district court is required to conduct a de novo, or new, trial.

The Court agreed with TASCOS that it was entitled to a refund of any excess taxes paid, including interest. A County argued the issue was moot because it had credited TASCOS with a certain sum against 2004 taxes due. The Court determined the issue was not moot because the amount credited did not include the interest owed TASCOS. As there was a dispute about whether the County had given sufficient credit for the principal amount overpaid by TASCOS, the Supreme Court remanded the matter to the district court to determine the proper amount, including interest, of a refund or credit due TASCOS.